## STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF: EAGLE VENDING SYSTEMS CORP., its officers, and director, employees, agents, affiliates, successors and assigns. FILE NO. 0300163

## SUMMARY ORDER TO CEASE AND DESIST

TO THE RESPONDENT: Eagle Vending Systems, Corp.

38-30 31st Street, Floor 3

Long Island, New York 11101-2719

Eagle Vending Systems, Corp. 244 Fifth Avenue, 2<sup>nd</sup> Floor

Suite 299

New York, New York 10001

On information and belief, I, Jesse White, Secretary of State, for the State of Illinois, through my designated representative, having been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

- 1. That Eagle Vending Systems Corp. (the "Respondent"), is a business entity which maintains its principal office at 38-30 31<sup>st</sup> Street, Floor 3, Long Island, New York 11101-2719.
- 2. That during November, 2002, the Respondent placed advertisements (the "Ad") in the Quincy Herald Whig newspaper.

- 3. That Respondent told one or more Illinois residents responding to the Ad about the "Single Pringle 6000 Pringles Vending Machine", and sent them promotional Literature.
- 4. That the Literature in part displayed vending machines specifically designed for dispensing Pringles Singles Potato Chips. It showed machines that required no electricity and could be countertop, wall or pedestal mounted. The machines dispensed and displayed five different Pringles products.
- 5. That after reviewing the Literature, Illinois Resident RA spoke with the Respondent's representative ("Representative") via the telephone. The Representative advised RA that twelve machines plus shipping would cost \$14,200.00. The Representative also advised RA that Respondent recommended using a locator service named Golden Key Locations of Saint Louis, Mo. ("Locator"), to place the machines.
- 6. That around November 11, 2002 Respondent sent an order form and purchase agreement ("Agreement") to RA. RA executed the Agreement and remitted the requisite funds.
- 7. That on about November 26, 2002, Respondent executed the Agreement and return a copy to RA.
- 8. That shortly thereafter on about December 12, 2002 RA also entered a second agreement with the Locator recommended by Respondent for an additional two thousand (\$2,000.00) dollars.
- 9. That Section 5-5.10(a)(6) of Business Opportunity Sales Law of 1995, [815 ILCS 602 ET seq.] (the "Act") provides, inter alia, that a business opportunity is a contract or agreement, between a seller and purchaser, express or implied, orally or in writing, wherein it is agreed that the seller or a person recommended by the seller shall provide to the purchaser any product, equipment, supplies or services enabling the purchaser to start a business when the purchaser is required to make a payment to the seller or a person recommended by the seller, orally or in writing, that: the seller or

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a person recommended by the seller will provide or assist the Purchaser in finding locations for the use or operation of vending machines, in premises neither owned nor leased by the purchaser or seller.

- 10. That the activities of Respondent described in paragraphs two through six (2-6), constitute the offer and sale of a business opportunity as those terms are defined in Sections 5-5.20 and 5-5.10 of the Act.
- 11. That Section 5-25 of the Act provides, inter alia, that it is unlawful for any person to offer any business opportunity in this State unless the business opportunity is registered under the Act or is exempt under Section 5-10 of the Act.
- 12. That at all relevant times, Respondent Eagle Vending Systems, Corp., its partners, officers and directors, agents, employees, affiliates, successors and assigns, failed to register the business opportunity described in paragraph six (6) as required pursuant to Section 5-25 of the Act.
- 13. That, by virtue of the foregoing, the Respondent violated Section 5-25 of the Act.
- 14. That Section 5-65 of the Act provides, inter alia, that whenever it appears to the Secretary of State that any person has engaged in or is about to engage in any act or practice constituting a violation of any provision of this Law or any rule, regulation, or order under this Law, the Secretary of State may issue an order directing the person to CEASE and DESIST from continuing the act or practice.

NOW THEREFORE IT IS HEREBY ORDERED THAT: Pursuant to the authority granted by Section 5-65 of the Act, Respondent EAGLE VENDING SYSTEMS CORP., its officers and directors, employees, agents, affiliates, successors and assigns are ordered to CEASE and DESIST from offering or selling any business opportunity in the State of Illinois until the further order of the Secretary of State.

NOTICE is hereby given that the Respondent may request a hearing on this matter by transmitting a written request to the Securities Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) days after entry of this Summary Order to Cease and Desist. Upon receipt of a request for a hearing, a hearing will be scheduled as soon as reasonably practicable. Request for hearing will not stop the effectiveness of this Summary Order to Cease and Desist.

FAILURE BY ANY PERSON NAMED IN THIS ORDER TO REQUEST A HEARING WITHIN THIRTY (30) DAYS AFTER ENTRY OF THIS SUMMARY ORDER TO CEASE AND DESIST SHALL BE DEEMED TO CONSTITUTE A WAIVER OF ALL RIGHTS BY SUCH PERSON TO A HEARING AND THE ORDER TO CEASE AND DESIST AS TO SUCH PERSON WILL BECOME PERMANENT.

DATED: This 26 day of July, 2006.

Jesse White
Secretary of State
State of Illinois

Attorney for the Secretary of State:

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